

ASSEMBLY BILL

No. 1654

Introduced by Assembly Member De La Torre

February 22, 2005

An act to add Article 7 (commencing with Section 10390) to Chapter 2 of Part 2 of Division 2 of the Public Contract Code, relating to public contracts.

LEGISLATIVE COUNSEL'S DIGEST

AB 1654, as introduced, De La Torre. Public contracts: bid preferences.

Existing law imposes various requirements with respect to contracting by state agencies.

This bill would require a state agency that accepts bids or proposals for contracts for goods or services to provide a credit of 5% of the bid price or quotation to a business that directly provides the goods or services, when 95% of the employees of the business reside in the state.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. It is the intent of the Legislature in enacting this
2 act to recycle state moneys back into the communities where
3 employees of businesses that contract with the state to provide
4 goods or service reside.

5 SEC. 2. Article 7 (commencing with Section 10390) is added
6 to Chapter 2 of Part 2 of Division 2 of the Public Contract Code,
7 to read:

1 Article 7. Preference for Businesses that Employ State
2 Residents
3

4 10390. (a) Any state agency that accepts bids or proposals for
5 a contract for goods or services shall provide a credit of 5 percent
6 of the bid price or quotation to a business that would directly
7 provide the goods or services, whenever 95 percent of the
8 employees of this business reside in the state.

9 (b) As part of a request for bids or proposals for goods or
10 services, the state agency shall make available a form to be
11 completed by the business that would require the business to
12 provide sufficient information for the state agency to verify that
13 the business meets the criteria for the 5 percent credit.